

8473 A
RECEIVED **HERCULES INCORPORATED**

WILMINGTON, DELAWARE 19899 • TELEPHONE 302 575-5000

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SEP 14, 1976

RECORDATION NO. 8473 Date SEP 15 1976

SEP 15 1976 -2 10 PM

Interstate Commerce Commission
Washington, D.C.

INTERSTATE COMMERCE COMMISSION

ICC Washington, D. C.

Gentlemen:

Enclosed for recordation under the provisions of
Section 20(c) of the Interstate Commerce Act, as amended,
are the original and 10 counterparts of each of the
following:

- 8473 B
RECORDATION NO. 8473 Filed & Recorded SEP 15 1976 -2 10 PM
- INTERSTATE COMMERCE COMMISSION
- 8473 C
RECORDATION NO. 8473 Filed & Recorded SEP 15 1976 -2 10 PM
- INTERSTATE COMMERCE COMMISSION
- (1) A Lease of Railroad Equipment, dated
as of September 1, 1976 (hereinafter
"Lease").
 - (2) A Security Agreement, dated as of
September 1, 1976 (hereinafter
"Security Agreement").
 - (3) An Assignment of Lease and Agreement,
dated as of September 1, 1976 (hereinafter
"Assignment").
 - (4) Lessee's Consent and Agreement (hereinafter
"Consent").

The general description of the railroad rolling stock
covered by the enclosed documents is set forth in Schedule A
to the Lease, a copy of such schedule is attached hereto and
made a part hereof.

The names and addresses of the parties are:

Owner under the Lease,
the Security Agreement,
the Assignment and the
Consent:

New England Merchants Leasing
Corporation B-3
P.O. Box 2332
Boston, Massachusetts 02107

Note Purchaser under the
Lease, the Assignment and
the Consent and the Secured
Party under the Security
Agreement:

The Philadelphia Savings Fund
Society
1212 Market Street
Philadelphia, Pennsylvania
19107
Attn: Securities Investment
Department

*County of ...
Signed for H. ...*

Lessee under the Lease,
the Security Agreement,
the Assignment and the
Consent:

Hercules Incorporated
910 Market Street
Wilmington, Delaware 19899

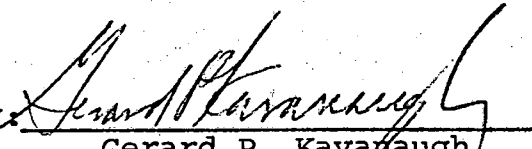
The undersigned is the Lessee referred to above and has knowledge of the matters set forth in the enclosed documents. Therefore, should you have any questions concerning these documents, please contact Israel J. Floyd, Esq., at area code 302, telephone number 575-7034.

Please return the original and 8 copies of the Lease, Security Agreement, the Assignment and the Consent to the bearer of this letter for delivery to Israel J. Floyd, Esq., Hercules Incorporated, 910 Market Street, Wilmington, Delaware 19899.

Enclosed is a check in the amount of fifty dollars (\$50.00) to cover the required recording fee.

Very truly yours,

HERCULES INCORPORATED

By: 
Gerard P. Kavanaugh
Associate General Counsel

8479-B
RECORDATION NO. Filed & Recorded

SEP 15 1976 -2 12 PM

INTERSTATE COMMERCE COMMISSION

ASSIGNMENT OF LEASE AND AGREEMENT dated as of September 1, 1976 (hereinafter called this Assignment), by and between NEW ENGLAND MERCHANTS LEASING CORPORATION B-3, a Massachusetts corporation (hereinafter called the Owner) and THE PHILADELPHIA SAVING FUND SOCIETY (hereinafter called the Note Purchaser).

WHEREAS, Owner has issued to the Note Purchaser its 9% Non-Recourse Secured Notes due 1996 (the "Notes") pursuant to a Finance Agreement dated as of September 1, 1976 by and among the Owner, the Note Purchaser, and Hercules Incorporated (the "Lessee") providing for the financing of the purchase by the Owner of certain railroad equipment described in the Finance Agreement, to be leased to the Lessee pursuant to a lease (the "Lease") between the Owner and the Lessee.

WHEREAS, in order to provide security for the obligations of the Owner under the Notes and the Security Agreement and as an inducement to the Note Purchaser to purchase the Notes, the Owner agrees to assign for security purposes its rights in, to and under the Lease to the Note Purchaser.

NOW, THEREFORE, in consideration of the payments to be made and the covenants hereinafter mentioned to be kept and performed, the parties hereto agree as follows:

1. Subject to the provisions of Section 10 hereof, the Owner hereby assigns, transfers and sets over unto the Note Purchaser, as collateral security for the payment and performance of the Owner's obligations under the Notes and the Security Agreement, all the Owner's right, title and interest, powers, privileges, and other benefits under the Lease, including, without limitation, the immediate right to receive and collect all rentals, profits and other sums payable to or receivable by the Owner from the Lessee under or pursuant to the provisions of the Lease whether as rent, casualty payment, termination payment, indemnity, liquidated damages, or otherwise (such moneys being hereinafter called the Payments), and the right to make all waivers and agreements, to give all

notices, consents and releases, to take all action upon the happening of an Event of Default specified in the Lease, and to do any and all other things whatsoever which the Owner is or may become entitled to do under the Lease. In furtherance of the foregoing assignment, the Owner hereby irrevocably authorizes and empowers the Note Purchaser in its own name, or in the name of its nominee, or in the name of the Owner or as its attorney, to ask, demand, sue for, collect and receive any and all Payments to which the Owner is or may become entitled under the Lease, and to enforce compliance by the Lessee with all the terms and provisions thereof.

To the extent received, the Note Purchaser will apply such Payments in accordance with the provisions of the Security Agreement.

2. This Assignment is executed only as security for the obligations of the Owner under the Notes and the Security Agreement and, therefore, the execution and delivery of this Assignment shall not subject the Note Purchaser to, or transfer, or pass, or in any way affect or modify the liability of the Owner under the Lease, it being understood and agreed that notwithstanding this Assignment or any subsequent assignment, all obligations of the Owner to the Lessee shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against the Owner or persons other than the Note Purchaser.

3. To protect the security afforded by this Assignment, the Owner agrees as follows:

(a) The Owner will faithfully abide by, perform and discharge each and every obligation, covenant and agreement which the Lease provides are to be performed by the Owner; without the written consent of the Note Purchaser the Owner will not anticipate the rents under the Lease or waive, excuse, condone, forgive or in any manner release or discharge the Lessee thereunder of or from the obligations, covenants, conditions and agreements to be performed by the Lessee which are intended to satisfy the obligations

of the Owner under the Security Agreement, including, without limitation, the obligation to pay the rents in the manner and at the time and place specified therein or enter into any agreement so amending, modifying or terminating the Lease and the Owner agrees that any such amendment, modification or termination thereof without such consent shall be void.

(b) At the Owner's sole cost and expense, the Owner will appear in and defend every action or proceeding arising under, growing out of or in any manner connected with the obligations, duties or liabilities of the Owner under the Lease.

(c) Should the Owner fail to make any payment or to do any act which this Assignment requires the Owner to make or do, then the Note Purchaser, but without obligation so to do, after first making written demand upon the Owner and affording the Owner a reasonable period of time within which to make such payment or do such act, but without releasing the Owner from any obligation hereunder, may make or do the same in such manner and to such extent as the Note Purchaser may deem necessary to protect the security provided hereby, including specifically, without limiting its general powers, the right to appear in and defend any action or proceeding purporting to affect the security hereof and the rights or powers of the Note Purchaser, and also the right to perform and discharge each and every obligation, covenant and agreement of the Owner contained in the Lease; and in exercising any such powers, the Note Purchaser may pay necessary costs and expenses, employ counsel and incur and pay reasonable attorneys' fees, and the Owner will reimburse the Note Purchaser for such costs, expenses and fees.

4. Subject to the provisions of Paragraph 10 hereof, the Owner does hereby constitute the Note Purchaser

the Owner's true and lawful attorney, irrevocably, with full power (in the name of the Owner, or otherwise), to ask, require, demand, receive, compound and give acquittance for any and all Payments due and to become due under or arising out of the Lease to which the Owner is or may become entitled, to enforce compliance by the Lessee with all the terms and provisions of the Lease, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which to the Note Purchaser may seem to be necessary or advisable in the premises.

5. Upon the full discharge and satisfaction of all the Owner's obligations under the Security Agreement, this Assignment and all rights herein assigned to the Note Purchaser shall terminate, and all estate, right, title and interest of the Note Purchaser in and to the Lease shall revert to the Owner.

6. The Owner will, from time to time, do and perform any other act and will execute, acknowledge, deliver and file, register, deposit and record (and will refile, re-register, re-record or redeposit whenever required) any and all further instruments required by law or reasonably requested by the Note Purchaser in order to confirm or further assure, the interests of the Note Purchaser hereunder.

7. The Note Purchaser may assign all or any of the rights assigned to it hereby or arising under the Lease, including, without limitation, the right to receive any Payments due or to become due; provided, however, that no such assignment shall violate the Securities Act of 1933, any successor statute thereto as may be hereafter enacted or any applicable Blue Sky or state securities laws. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Note Purchaser hereunder. The Note Purchaser will give written notice to the Owner and the Lessee of any such assignment.

8. This Assignment shall be governed by the laws of the State of Pennsylvania but the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act.

9. The Owner shall cause copies of all notices received in connection with the Lease and all payments hereunder to be promptly delivered or made to the Note Purchaser at its address set forth in Section 12 of the Finance Agreement, or at such other address as the Note Purchaser shall designate.

10. The Note Purchaser hereby agrees with the Owner that, so long as no Event of Default under the Security Agreement has occurred and shall be continuing, the Note Purchaser will not exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits assigned and transferred by the Owner to the Note Purchaser by this Assignment, except the right to receive and apply the Payments as provided in Section 1 hereof, and that, subject to the terms of the Lease and the Security Agreement, the Owner may, so long as no event of default under the Security Agreement has occurred and shall be continuing, exercise or enforce, or seek to exercise or enforce, such rights, powers, privileges, authorizations or benefits.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in their respective corporate names, by officers thereunto duly authorized, and their respective corporate seals to be affixed and duly attested, all as of the date first above written.

NEW ENGLAND MERCHANTS LEASING
CORPORATION B-3

By



Paul D. Dean, III, J.P.

[Corporate Seal]

Attest:



~~Secretary~~ ASST. CLERK

THE PHILADELPHIA SAVING FUND SOCIETY

By



LeRoy O. McClelland
Assistant Vice President

[Corporate Seal]

Attest:


Secretary

STATE OF MASSACHUSETTS :
: SS.
COUNTY OF SUFFOLK :

On this *15th* day of September, 1976, before me personally appeared Paul D. Dean, III, to me personally known, who being by me duly sworn, says that he is a Vice President of NEW ENGLAND MERCHANTS LEASING CORPORATION B-3, that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



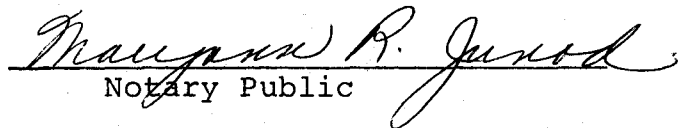
Notary Public

[Notarial Seal]

My Commission expires *11/28/76*

COMMONWEALTH OF PENNSYLVANIA :
: SS.
COUNTY OF PHILADELPHIA :

On this 13th day of September, 1976, before me personally appeared LeRoy O. McClellan, to me personally known, who, being by me duly sworn, says that he is an Assistant Vice President, of THE PHILADELPHIA SAVING FUND SOCIETY, that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

[Notarial Seal]

My Commission expires

MARYANN R. JUNOD
Notary Public, Philadelphia, Philadelphia Co.
My Commission Expires July 7, 1980